

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 7418

BILL NUMBER: SB 519

NOTE PREPARED: Jan 18, 2013

BILL AMENDED:

SUBJECT: Various Election Law Matters.

FIRST AUTHOR: Sen. Landske

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State & Local

STATE IMPACT	FY 2013	FY 2014	FY 2015
State Revenues			
State Expenditures		5,182,500	3,682,500
Net Increase (Decrease)		(5,182,500)	(3,682,500)

Summary of Legislation: *Candidate/Voter Residency Standards-* The bill makes changes in the standards for determining residency of voters and candidates.

Voter Education Outreach Fund- The bill establishes the Voter Education Outreach Fund (VEOF) to receive, hold, and disburse funds for education and outreach to citizens concerning voter rights and responsibilities.

Removal of Paster References- The bill removes references to "pasters".

Vote Center Personnel Titles- The bill permits county vote center plans to use other titles to designate precinct election officials (rather than inspector, judge, poll clerk, assistant poll clerk, or election sheriff). The bill provides that the county vote center plan must specify which precinct election officer is to perform a duty required of a precinct election officer by the election code.

Secretary Designates Agencies- The bill requires the Secretary of Family and Social Services to designate the

agencies required to provide voter registration services.

SVRF Subscription Expiration- The bill provides that the subscription of an entity to the statewide voter registration file (SVRF) information expires on the first January 1 following payment of the annual fee.

Polling Place Lists and VIN's- The bill amends the requirements concerning precinct polling place lists to update a reference to voter identification number (VIN) and to add birth dates.

Vote Center Mailing Notices- The bill permits a vote center county to use notices mailed to the active voters of the county (or provided at the vote center) and presented at a vote center for the purpose of obtaining a voter's signature when casting a ballot (rather than having the voter sign a printed poll list).

Annual Residency Confirmation and Outreach- The bill requires the National Voter Registration Act (NVRA) official to conduct an annual residency confirmation and outreach procedure.

Comparison of Voter Lists in Other States- The bill requires comparison of voter lists from certain neighboring states and others with the Indiana voter registration list to identify duplicate registrations.

Cancellation of Dead Voter's Registration- The bill requires a county voter registration office (CVRO) to cancel the registration of a voter if the office receives certain notices of the voter's death. The bill requires the State Department of Health (ISDH) and the Election Division (IED) to obtain certain information about the deaths of Indiana residents for purposes of maintaining voter registration records. The bill establishes procedures for county processing of voter registration record cancellations.

Electronic Poll Lists- The bill permits the county election board (CEB) of a county that is not a vote center county to adopt an order to use electronic poll lists. The bill establishes additional standards for electronic poll lists.

Transmit Voter Registration Applications- The bill permits the Family and Social Services Administration (FSSA) and the State Department of Health (SDOH) to transmit voter registration applications by first class mail. (Current law requires the use of certified mail, when mail is used.)

General Fund Appropriations- The bill appropriates \$1,000,000 from the state general fund to the voter education outreach fund for each year of the 2013-2015 biennium for voter education and outreach. The bill appropriates \$365,000 from the state general fund to perform certain duties relating to the voting system technical oversight program. The bill appropriates \$2,500,000 from the state general fund for each year of the 2013-2015 biennium to provide management services for the statewide voter registration system. The bill appropriates \$1,500,000 from the state general fund for address confirmation mailings to voters.

Technical Changes, Repealers- The bill makes technical changes. The bill repeals: (1) obsolete procedures relating to designation of voter registration agencies; (2) a requirement for counties to have an NVRA implementation plan; (3) requirements relating to making memoranda of voter registration documents; (4) statutes relating to pasters; (5) sample ballots; and (6) delivery of absentee ballot applications.

Effective Date: Upon passage; July 1, 2013.

Explanation of State Expenditures: *Secretary Designates Agencies-* This provision would allow the

Secretary of Family and Social Services to designate agencies required to provide voter registration services after determining the extent to which: 1) the agency in question is funded by the state; and 2) the agency is primarily engaged in serving persons with disabilities. It is likely the Secretary could make the proper designations within existing resources.

General Fund Appropriations-The bill appropriates \$5.18 M in FY 2014 and \$3.68 M in FY 2015 as summarized in the table below.

Table. Proposed General Fund Appropriations for Various Election & Voter Matters.			
Agency Receiving Appropriation	FY 2014 Appropriation	FY 2015 Appropriation	Intended Use
Secretary of State (Voter Education Outreach Fund)	\$1,000,000	\$1,000,000	Education and outreach to citizens on voter rights and responsibilities, and voter ID requirements
Secretary of State	\$182,500	\$182,500	Contract with a vendor to administer the voting system technical oversight program under IC 3-11-16-4
Election Division	\$2,500,000	\$2,500,000	Voter List Maintenance & SVRS operations
Election Division	\$1,500,000		Conduct address confirmation mailing via a contract with a vendor
TOTAL Appropriations	\$5,182,500	\$3,682,500	

Voter Education Outreach Fund (VOEF)- The VOEF would be created to educate and provide outreach on voters' rights and responsibilities. The VOEF would be administered by the Secretary of State (SOS). Expenditures necessary to administer the VOEF would be paid from the VOEF. The bill would make a \$2 M appropriation from the state General Fund over the FY 2014-2015 biennium to the VOEF.

Cancellation of Dead Voter's Registration- The SDOH currently checks on the deaths of Indiana residents in other states. The bill would require the SDOH to use the State and Territorial Exchange of Vital Events (STEVE) and the Electronic Verification of Vital Events (EVVE) systems. Under current law, the SDOH forwards the information collected on Indiana resident deaths in other states to the IED. Under current law the IED checks with the federal Social Security Administration on identified deceased residents of Indiana. The bill would require the IED to check monthly and send a monthly report to all CVROs. The IED currently sends these reports, however not necessarily on a monthly time line. It is likely these provisions would not significantly increase SDOH or IED expenditures, but may increase the need for staff time devoted to carrying out these requirements.

Transmit Voter Registration Applications- This provision would save the FSSA and SDOH postage expense, as first class mail (at \$0.32 per post card) is less than the cost of certified mail (an additional \$2.63 per letter).

Explanation of State Revenues: *SVRF Subscription Expiration*- Copies of the statewide voter registration

list are available from the Election Division (IED) for an annual fee of \$5,000. The bill places the expiration date of the subscription on January 1 following payment. This provision may slightly affect the timing of subscription fees being received by the IED during the first year of implementation. The provision would likely shift the renewal by subscribers to just after January 1 of a given year, to assure the subscriber receives a complete year of updates of voter registration information from the IED.

Explanation of Local Expenditures: Summary- The bill would increase the administrative duties of local election officials including: county election boards, offices of voter registration, and local NVRA officials. The following paragraphs provide detailed description of the main additional responsibilities and expenditures required by the bill.

Removal of Paster References- This provision would reduce printing costs to county election boards for the production of “pasters”. Whether this provision would affect the reprinting of future ballots would depend on local action.

Polling Place Lists and VIN’s- This provision could slightly increase the cost to produce poll books by the inclusion of birth dates and false statement warnings. This could be mitigated by the introduction of electronic poll lists or reduction in the font of future printed poll lists.

Electronic Poll Lists- This provision would have twofold impact on local expenditures. Initially, the county would increase local expenditures by the purchase of the equipment necessary for at least each polling place to have access to an electronic poll list. However, over time, counties that adopt the use of electronic poll lists would recoup the initial cost of the electronic poll lists by no longer printing paper poll lists.

Information on an electronic poll list would have to be encrypted and placed on a dedicated private server with a secure connection between the county election board and polling places or satellite offices. The poll list would have to be able to allow a poll clerk to enter information on a voter to confirm whether the voter is eligible to vote or has already cast a ballot. The poll list would have to allow an “already voted” entry by the poll clerk. The list must be capable of uploading voter histories, have the ability to immediately transmit information to the polling places, and produce reports. Vote Center counties may need to update their electronic poll lists to comply with the bill. The expense to do so is indeterminable and would depend on whether their systems are able to currently comply with the above requirements.

Annual Residency Confirmation and Outreach- Election officials would have to adhere to the procedures required in the bill, and may require additional administrative time to accomplish these provisions. Additional expense may be required for postage, if the local NVRA official or contracted vendor sends a mailing notice to each voter in Indiana. No later than January 31, the NVRA official must send the name of all registered voters to the U.S. Department of Homeland Security (USDHHS) for comparison with the USDHHS’s databases.

The NVRA official would also be required to contact Indiana’s districts within the U.S. district court system to confirm the return of U.S. mail sent for jury selection purposes. Additionally, the CVRO would be required to send an address confirmation notice to a voter that this provision could impact.

Comparison of Voter Lists in Other States- Local NVRA officials would experience an increase in their administrative workload to accomplish this provision. The NVRA official would have to request a list from election officials in Florida, Illinois, Kentucky, Michigan, and Ohio. Additionally, the NVRA official would

also be able to request lists from other states, if the NVRA official determines there is reasonable probability that a significant number of individuals registered to vote in Indiana may also have registered in that state. If the lists were received, the NVRA official would use them to help with the maintenance of the voter list by determining if any possible duplicate registrations exist and report those findings to the county voter registration office. NVRA officials would be required to submit the names of all registered voters in Indiana to the United States Postal Service National Change of Address Service.

Kansas Provision: No later than August 1, 2013, NVRA officials would be required to establish a memorandum of understanding with the Kansas Secretary of State. Every January 15, the NVRA officials would be required to provide data from the SVRL, cost free, to the Kansas SOS to allow comparison of voter registration data. An NVRA official would be required to notify the CVRO, if a notice is received that a voter in Indiana may be registered to vote in another state. If the voter is determined to have registered in another state after registering in Indiana and authorized the cancellation of the previous Indiana registration, the CVRO would cancel the voter's Indiana registration. However, if the authorization to cancel was not provided by the voter in question, the CVRO would have to send an address confirmation notice to the Indiana address. Additional mailings would require additional postage and printing costs to the CVRO.

Central Count Provision- The bill would require a CEB that wishes to adopt vote centers to pass a resolution making the county a central count county of absentee ballots. This provision would require non-central count counties wishing to adopt vote centers to have the hardware necessary to become a central count county. Generally, an optical scan voting system is used to count absentees. Counties with optical scan voting systems for their precinct voters may be able to spare a few scanners for a central location. It is highly likely all 92 counties in the state either owns or can rent at least one optical scan machine for a central count purpose. However, it may be possible that some additional expenditures for optical scan machines may be necessary to comply with this provision.

Background Information- After being selected as a pilot vote center county, Tippecanoe County paid \$10,750 for electronic polling software for their vote centers. The county was able to eliminate paper lists, which were estimated to cost \$1,782 to produce. It was estimated by the County that the savings from no longer printing poll books would break even with the electronic poll book software start-up costs within roughly six elections conducted by their vote centers.

“Pasters” are used to cover a candidate's name on existing ballots due to the death of the candidate, the candidate no longer being on the ballot for other reasons, or for candidate name changes. Pasters affect optical scan and paper ballot voting methods only.

Explanation of Local Revenues:

State Agencies Affected: Indiana Election Division, Indiana Election Commission, State Department of Health, Family and Social Services Administration.

Local Agencies Affected: County election boards, national voter registration officer, board of voter registration, county voter registration office.

Information Sources: Linda Phillips, Former Tippecanoe County Clerk; United States Postal Service.

Fiscal Analyst: Chris Baker, 317-232-9851.